GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

STARRED QUESTION NO:366
ANSWERED ON:28.03.2017
Functioning of CACP
George Shri (Adv.) Joice

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the Government has assessed the performance of the Commission for Agricultural Costs and Prices (CACP), against the mandate assigned to it and if so, the details thereof;

(b) whether the horticulture produces including vegetables, fruits and dairy products come under the ambit of CACP's price determination and if so, the details thereof;

(c) if not, whether the Government proposes to include these produces under CACP and if so, the details thereof;

(d) the details of the crops for which CACP recommended fixation of Minimum Support Price in the recent past; and

(e) the steps taken by the Government to strengthen the functioning of CACP?

Answer

MINISTER OF AGRICULTURE AND FARMERS WELFARE
???? ??? ????? ?????? Â½Ã£Ã¢Â¨Ã£Ã£Ã¨ (SHRI RADHA MOHAN SINGH)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 366 DUE FOR REPLY ON 28TH MARCH, 2017.

(a): Commission for Agricultural Costs and Prices (CACP) is an attached office in the Ministry of Agriculture and Farmers Welfare. The CACP functions as per the mandate given by the Government. No separate assessment of CACP against the mandate assigned to it has been made. The Terms of Reference of CACP have been revised from time to time. The Government has constituted Expert Committees as required to examine methodological issues with respect to various aspects of fixation of Minimum Support Prices (MSPs), other policies affecting farmers and prices of farm produce. Besides, the coverage of commodities has also been revised.
(b) & (c): Government fixes Minimum Support Prices (MSPs) of agricultural produce which generally have fairly long shelf life and are necessary for food/nutrition security. For agricultural and horticultural commodities which are not covered under the MSP, Government implements Market Intervention Scheme (MIS). The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when the prices tend to fall below the economic level/cost of production. Losses, if any, incurred by the procuring agencies are shared by the Central Government and the concerned State Government on 50:50 basis (75:25 in case of North-Eastern States).
(d): Details of crops for which Government fixes MSPs are as under:

Cereals Pulses Oilseeds Commercial Crops
Paddy Arhar(Tur) Groundnut Cotton
Wheat Moong Rapeseed/Mustard Jute
Maize Urad Soyabean Copra
Jower Gram Sesamum Sugarcane
Bajra Masur Sunflower seed
Ragi Safflower
Barley Nigerseed
Contdâ€¦2/-

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The MSP recommended by CACP and fixed by the Government for 2016-17 are given at Annexure.

(e): CACP is an Expert body which comprises of a Chairman, Member Secretary, one Member (Official) and two Members (Non-Official). The non-official members are representatives of the farming community. There is no proposal to strengthen the functioning of CACP.